

August 2008

28E AGREEMENT

BETWEEN the IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND BOARD, and the IOWA DEPARTMENT OF NATURAL RESOURCES for FUNDING AND MANAGEMENT of the UNDERGROUND STORAGE TANK SECTION of the IOWA DEPARTMENT OF NATURAL RESOURCES FOR FISCAL YEAR 2008

This Agreement is entered into by and between the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board (hereinafter "Board"), with its Administrator's office located at 2700 Westown Parkway, Suite 320, W. Des Moines, Iowa 50266, and the Iowa Department of Natural Resources (hereinafter "DNR"), located at 502 E. 9th Street, Des Moines, IA 50319. This Agreement is entered into pursuant to Chapter 28E of the Code of Iowa, and is effective as of the date it is fully executed by all parties.

I. PURPOSE

The purpose of this Agreement is to establish the terms under which the Board will provide funding pursuant Iowa Code section 455G.6(15)"a" to cover a budgetary shortfall for fiscal year 2008 in the DNR's Underground Storage Tank ("UST") Section. The Board agrees to provide the DNR with funds in an amount equivalent to the actual budgetary shortfall, subject to the terms and conditions herein, pursuant to Iowa Code sections 455B.479 and 455G.8"3". The Parties do not intend to create a separate legal entity under this Agreement, and no real or personal property will be used or acquired under the terms of this Agreement.

II. TERM

The term of this Agreement shall begin upon execution hereof by all parties hereto and shall run through September 30, 2008, unless otherwise terminated or extended pursuant to the terms of this Agreement.

III. DNR RESPONSIBILITIES

A. By August 1, 2008, the DNR shall provide the Board with documents and information that will allow the Board to accurately determine the actual budget shortfall for the UST Section in fiscal year 2008. Furthermore, the DNR shall allow the Board to review and copy any additional documents and information not otherwise provided that the Board deems necessary to make its determination.

B. By August 1, 2008, the DNR shall provide the Board with the UST tank management fees collected and allocated to the Board pursuant to Iowa Code section 455B.479 for the period from July 1, 2007, to June 30, 2008.

C. By September 30, 2008, the DNR shall meet with the Board to discuss the UST Section's budget for fiscal year 2009, and whether financial assistance will be provided to the UST Section by the Board in fiscal year 2009.

IV. BOARD RESPONSIBILITIES

Upon satisfactory completion of the DNR responsibilities identified in Section III of this Agreement, the Board shall provide the DNR with funds, in an amount not to exceed \$400,000, that the Board determines accurately reflects the fiscal year 2008 budgetary shortfall for the UST Section, to include a carryover amount not to exceed \$27,083 in the Groundwater Account to

meet matching requirements for Federal grants in the first quarter of Fiscal Year 2009. Payment shall be directed to be made pursuant to this section no later than August 15, 2008.

V. FINANCING

The Board shall pay all costs associated with the administration of this Agreement in accordance with the terms of Section III of this Agreement. The DNR shall use the funds provided by the Board exclusively for the operation of the DNR's UST Section. Use of the funds for any other DNR sections or programs is not authorized by this Agreement.

VI. AMENDMENT

This Agreement may be amended from time to time by written agreement of the Parties. All amendments shall be in writing, signed by both Parties, and filed with the Secretary of State.

VII. TERMINATION

A. Termination Upon Mutual Consent. This Agreement may be terminated upon the mutual written consent of the parties.

B. Termination By One Party. Notwithstanding anything in this Agreement to the contrary, and subject to the limitations, conditions, and procedures set forth below, either party to this Agreement shall have the right to terminate this Agreement without penalty by giving sixty (60) days' written notice to the other party to the Agreement as a result of any of the following:

1. There are insufficient funds available to allow a party to fulfill its obligations under this Agreement; or
2. A change in the law prevents or substantially impairs a party's ability to participate in this Agreement.

VIII. NOTICES

Whenever notices and correspondence are to be given under this Agreement, the notices shall be given by personal delivery to the other party, or sent by mail, postage prepaid, to the other party as follows:

To the Board

Iowa UST Fund Board
2700 Westown Parkway, Suite 320,
W. Des Moines, Iowa 50266

To the DNR

Iowa Department of Natural Resources
UST Section
502 E. 9th Street
Des Moines, IA 50319

IX. APPLICABLE LAW

This Agreement is to be governed by the laws of the State of Iowa.

X. FILING AND RECORDING

It is agreed the Board will electronically file this Agreement with the Secretary of State, and electronically file any amendment, renewal, or notice of termination of this Agreement within thirty days as provided in Iowa Code section 28E.8.

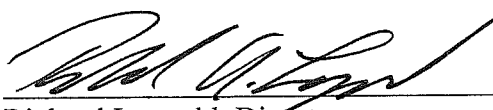
IN WITNESS WHEREOF, and in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt, adequacy, and legal sufficiency of which are hereby acknowledged, the parties have entered into this 28E Agreement and have caused their duly authorized representatives to execute this 28E Agreement.

**IOWA COMPREHENSIVE PETROLEUM
UNDERGROUND STORAGE TANK
FUND BOARD**

BY: 
Susan Voss, Chair

DATE: 8/22/08

**IOWA DEPARTMENT OF NATURAL
RESOURCES**

BY: 
Richard Leopold, Director

DATE: 8-6-08

